

**Radio and Television Commission of
the Southern Baptist Convention**

Interest: Produces five weekly public service radio programs syndicated to more than 3,000 broadcast outlets (reaching an estimated world-wide audience of 407 million each week).

General support for SDARS:

- SDARS will vastly increase the available audience and the quality of broadcast material.
 - It will provide travellers with uninterrupted programming.

Space System/Loral

Interest: World leader in development of high powered satellites -- the type that would be used for SDARS.

General support for SDARS:

- SDARS technology has been available for years.
- Delays in its construction have been costly and unfortunate.
- The U.S. can still be a leader in this new field, but if there is much more delay the leadership position will be taken over by Europe.
- Construction of SDARS will create jobs and help industry.

**Office of Communications
of the United Church of Christ, et al.**

Interest: Listeners' advocates seeking diversity in programming.

General support for SDARS:

- The commentators give strong support for earliest possible development of SDARS.
 - SDARS will contribute to diversity generally and especially in rural areas
 - SDARS in unique position to serve minority, ethnic, and cultural interests that might otherwise remain unserved. (4)
- Delay in licensing DARS has been too long already. (5)

Effect of SDARS on conventional broadcasters:

- It is entirely speculative that SDARS will undermine or wreck entrenched local broadcasters. (4)
- Protectionism is inappropriate, just as it is for television, where there is open entry for cable, DBS, MMDS, LMDS, etc. (4)

USDA Forest Service National Weather Program

Interest: Managing data collection at remote automated weather stations.

General support for SDARS:

- While the current focus of SDARS appears to be on music, SDARS could be used for data transmission.
 - Channels could be dedicated to broadcasting potentially life-saving weather and forest fire emergency information.

Voice of America

Interest: U.S. broadcaster to foreign countries.

General support for SDARS:

- SDARS will be an important factor in future operations of the Voice of America.
- Expeditious approval is warranted.
- Introduction of SDARS in huge U.S. market will lead to affordable receiver prices that will facilitate introduction of DARS in foreign markets.

Technical standards:

- Voice of America is currently testing, with EIA, a prototype SDARS receiver.

Robert T. Wertime

Interest: Radio broadcast proponent interested in obtaining a license.

Licensing policies:

- Wertime sees no reason why FCC should re-open the filing window and violate the cut-off principle. (4-5) The existing applicants deserve priority. (2)
- Rather than auctions, there should be spectrum use fees based on realized income so that DARS can proceed on a timely basis. (3)

No reason that auctions will lead to the best programming. (3)

Give each current applicant 5 channels a piece with each new licensee receiving just one channel. Financing would be spread out and there would be greater diversity of programming. (7)

Effect of SDARS on conventional broadcasters:

- Terrestrial broadcasting can survive if managed well and may be inspired to improve its format. (3-4)

Regulatory classification:

- SDARS subscription service should be allowed, but so should *national* advertising (not regional or local), possibly with some limits. (5)

Miscellaneous issues:

- Wertime concludes that a single SDARS license is equivalent of tens of thousands of FM licenses, and that there should thus be cross-ownership restrictions. (5-6)
- Wertime also agrees that there should be foreign ownership limits on SDARS licenses *a la* broadcasting because of the vast power and reach they will have. (6-7)

Wyoming Farm Bureau Federation

Interest: representing 2,500 agriculture producers.

General support for SDARS:

- Many of our members live in remote locations and have very limited radio services.
 - Because of the mountainous terrain and because our population is spread over a large geographic area, "it has not been possible to support radio coverage for everyone."
- SDARS is an excellent solution for Wyoming farmers.
 - "To have the opportunity to listen to a broad selection of music plus informational programming and to have quality, reliable transmissions would be wonderful. This is an opportunity to offer and expand essential services to our agricultural population."

Wyoming Heritage Society

Interest: Represents Wyoming businesses on technology beneficial to the state's economy.

General support for SDARS:

- SDARS should be implemented as soon as possible to provide the cultural advantages to rural residents that are taken for granted in large cities.



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ALL-STATE IFGM

Missouri Broadcasters Association

Interest: Radio station owner association

General opposition to SDARS:

- Rather than approve SDARS, the Commission should approve in band, on-channel DAB.
- SDARS will reduce ownership diversity.
- SDARS will use spectrum that could be put to better and more profitable uses.

Effect of SDARS on conventional broadcasters:

- The FCC has already recognized that there is no need for additional radio.
- The additional fragmentation of the marketplace will significantly harm local radio.
 - This will have devastating effects on community service and local programming.
 - Local emergency programming -- which often saves lives -- will be lost with the demise of local radio.

National Association of Broadcasters (NAB)

Interest: Trade association to protect broadcasters' interests

Licensing policies:

- NAB wants no spectrum licensed for SDARS, but if it is, FCC should “allow as many qualified parties as possible bring their competitive strengths to bear in the satellite radio marketplace.” (58-59) The FCC should divide band into 5 MHz blocks, permitting 10 licensees, or 19 if cross-polarization works. (59-60)
- FCC should re-open cut-off
 - Current applicants have no “equities” (54-57)
- This case is different from cellular unserved areas or MDS cases in regards to cut-off date in that: (57-58)
 - applicants had not relied on already-articulated licensing methods
 - not administratively burdensome to reopen
 - SDARS licenses will not be of questionable commercial value
- NAB does not discuss use of auctions

Effect of SDARS on conventional broadcasters

- Localism in radio is important. (9-21)
 - “Localism is the bedrock on which the United States system of radio broadcasting has been built.” (10)
 - NAB includes a survey of the history and importance of localism. (11)
- Local radio is “highly competitive” and provides listeners with a “broad array of program choices” (13)
 - Local radio provides advertisers “with an effective means of reaching target audiences.” (13)
 - “‘Our radio stations are all locally owned and operated. . . . You can’t have that type of relationship with a national conglomerate.’” (15)

(quoting Emile Babin, Executive Director, Chamber of Commerce,
Morgan City, La)

- Radio is competitive, available and diverse in local markets everywhere

- Radio in markets: (16-17)

% of Pop	Average # Stations
27.2%	59.5
15.0	41
12.7	35
12.5	28.8
14.7	18 ¹

- Radio in counties (17)

Counties <1000 pop. average nearly 15 signals.
Only 0.3 per cent live in counties with <6 signals

- Even FCC officials admit there are “too many” radio stations. (18)
- Lots of format (diversity) choices: (19)

Mkt Size	Average # Formats
Top 10 Mkts	26
11-50	22
51 and below	15

- Local radio serves the public interest, because local stations play vital role in smaller communities. (20)
- Satellite DARS would “severely impact” local radio and local service
 - “Did not attempt to analyze the market potential and likely technology diffusion rate for DARS.” (22)
- Audience Diversion:
 - Terrestrial radio listenership would decline 11.6 %, which would lead to a 11.6% decline in ad revenues. (24)

¹ But see NAB at 36-37 (analyzing markets with 3-8 stations).

- Greater declines among high income, educated and young listeners. (25)
- Advertising diversion
 - “[I]t is unrealistic to assume that much of the advertiser support of a DARS service will come from new, first-time advertisers.” (26)
- Loss of revenue/effect on profits
 - Predicts at least 1:1 ratio between loss of audience and loss of revenue. (27)
 - Effect on cash flow of adding six new FM’s, as modeled by Kagan. (28)

Market Size	Cash Flow Loss
Large	> 50%
Medium	52%
Small	121%

- Effect of 10 % reduction in national advertising, according to Miller, Kaplan. (29)

Market Size	Cash Flow Loss
Large	4.8%
Medium	5.5%
Small	9.5%

- Impact on local service
 - Current local radio already provides more “niche” programming than DARS applicants propose; DARS will provide only Spanish. (31 & nns. 77-78) (*But see* 50) (DARS “cannot and will not supply the local, community-focused public service programming that terrestrial radio stations presently offer.”)
- Spanish radio particularly vulnerable to DARS. (32)
 - Local stations in trouble (1991 data). (33)
 - More than ½ stand-alone AMs lost > \$19k
 - ½ stand-alone FM lost > \$10k
 - Average stations revenues declined in 1987-91

- Local stations play a vital role in the community and are already competitive. (35)
- As competition in radio has intensified, local stations have economized on local service. (35)
- Competition from satellite DARS will necessarily entail further economizing, and still further reduced local services. (35)
 - “Small market stations are much more economically vulnerable than large market stations in that they need a much bigger share of a much smaller audience to survive” (36)
 - Review of 9 markets shows that 2/3 of them will go from profitable to marginal with the addition of satellite DARS. (37)
 - DARS will reduce local radio service to the community. (38) (referring to community-based programming: “‘You can’t do that on the satellite’”) (quoting Ken Niles, of KFO Hanford/Coalinga, Ca.)
- Satellite DARS would not provide the public interest benefits the FCC claims
 - Most of the country receives many radio stations. (40-41)

Population	# of Stations
99%	≥ 11
97%	≥ 21
6100 (12+ age)	< 6
 - Most of the country is not short of formats (41-42)
 - The additional formats provided by DARS is of no marginal value. (42)
 - DARS will either not provide niche programming or, if it does, it will drive away local radio niche programming. (43 & n.107)

Regulatory classification

- Licensees should be limited to subscription only. (46-48) DBS not a useful analogy - DBS competes with monolithic cable industry; DARS would compete with already competitive radio. (49)
- DARS should require public interest obligation: the requirement to offer niche programming. (50-52)

- “Promise-versus-performance” approach: DARS licensees state the ethnic offerings they will provide, and are subject to “periodic public interest review” to determine the extent to which licensees have made “reasonable and good faith efforts to effectuate their proposals, and licensees would be obliged to justify any substantial variations from their programming proposals.” (52-53)
- Approach avoids the Constitutional defects of content-based set-asides. (53)

Technical standards

- Opposes terrestrial gap-fillers: “would effectively transform the satellite DARS service into a terrestrial-based one.” (61)
- Feederlinks:
 - 7 GHz spectrum possible only in small markets. (61-62)
 - Commission, and Congress, already considering moving ENG out of 2 GHz to 7 GHz, so 7 GHz will be crowded. (62)

New Jersey Broadcasters Association

Interest: Substantially all radio/tv stations in NJ.

Miscellaneous issues;

- All DARS should be niche services; DARS should not repeat what is presently available in abundance by terrestrial broadcasters. Examples of niche services:
(1)
 - Ethnic programming
 - Foreign language programming

Effect of SDARS on conventional broadcasters:

- If DARS is subscription only, there will be competition for listeners but not advertising revenue. If territorial broadcasters have to compete with SDARS for advertising revenues, the best broadcasting system in the world, *i.e.* terrestrial AM and FM, will have been destroyed. (2-3)

Regulatory classification:

- All DARS should be by subscription. (1)



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ALL-STATE LOCAL #86-777-0540 8011

James J. Henderson

Interest: Concerned radio listener.

General opposition to SDARS:

- Opposed to DARS.
- SDARS would hurt diversity by putting a national programming system in the hands of a few owners.
 - Whenever monopolies are created consumers lose.

Effect of SDARS on conventional broadcasters:

- The additional fragmentation of the marketplace will make local radio no longer profitable.
 - This will have devastating effects on community service and local programming.
 - Enough damage was already done through the lifting of radio multiple ownership rules.

Minority Media and Telecommunications Council

Interest: Special interest group supporting policies which would dramatically enhance the opportunities of minorities to participate in the ownership and programming of DAR facilities.

Licensing policies:

- If SDARS is authorized, it should be licensed to a racially diverse set of licensees. (1-2)
- To foster minority ownership, the Commission should either start fresh with comparative hearings or hold an auction with substantial minority-sensitive bidding credits. (2-3)
- Each licensee should set aside one channel for noncommercial public access and one channel for minority entrepreneurial access. (3-4)
- Commission should enforce a strict, one per customer, multiple ownership rule.

Regulatory classification:

- SDARS should be regulated as common carriers, with appropriate public interest protections. (3-5)

Miscellaneous issues:

- Licensees must provide equal employment opportunity. (5)

Schilling Distributing Co., Inc.

Interest: Support of local broadcasters.

Effect of SDARS on conventional broadcasters:

- SDARS will lead to loss of smaller broadcasters.

Regulatory classification:

- While SDARS promises multiple foreign language, ethnic, and alternative formats, SDARS will ultimately provide mainstream formats.

Richard Solberg

Interest: Sales representative for small market radio stations in Wisconsin.

General opposition to SDARS:

- Docket 80-90 proved that there is not a need for "more" radio service. We are already inundated with format choices in most markets.

Effect of SDARS on conventional broadcasters:

- Introduction of SDARS will cost many jobs in terrestrial radio industry.



Loral/Qualcomm Partnership, L.P.

Interest: Satellite construction and deployment company.

Technical standards:

- The Commission should continue to proceed with caution in the consideration of the 7025-7075 MHz band for satellite DARS feeder links pending conclusion of the 1995 World Radiocommunication Conference.
 - Any SDARS assigned to use the 6/7 GHz band should be required to operate within the sharing criteria adopted at WRC-95 for sharing between GSO FSS and NGSO MSS systems.
- Once WRC-95 is completed, Loral plans to seek unconditional assignment of feeder downlinks in the 6/7 GHz band for GLOBALSTAR.
 - Accordingly, if coordination is required the Commission should direct those satellite DARS seeking to use the 6/7 GHz band for feeder links to coordinate with other users as necessary.

Society of Broadcast Engineers, Inc.
Capital Cities/ABC, Inc.
Association of Maximum Service Television, Inc.
National Broadcasting Company, Inc.

Interest: Concerned with protecting 7 GHz Television Broadcast Auxiliary band for studio-to-transmitter links (STL), intercity relays (ICR), and mobile and portable TV pickup stations from earth-to-space DARS feeder links.

Technical standards:

- The Joint Commenters agree that DARS feeder links could share 7 GHz band with broadcasters with no harmful interference with the following constraints:
(3)
 - No DARS feeder link station should be permitted within 80 km of an existing 7 GHz Television Broadcast Auxiliary receive site (TBARS).
 - No DARS feeder line station may have line of sight to an existing co-channel or adjacent channel TBARS unless it would provide a co-channel desired-to-undesired (D/U) interference ratio of 60 dB or greater *or* an adjacent channel D/U ratio of 0 dB or better.
 - Specific alternative measures of non-interference are articulated:
 - DARS feeder link signal is less than -96d Bm at TBARS input terminal *or*
 - DARS feeder link signal is 10 dB or more below manufacturer's published receive threshold for TBARS receiver, *whichever is lesser number.*
 - No DARS feeder link should be permitted within certain distances of major sporting facilities so as not to preclude use of 7 GHz band by TV pickup stations.
 - DARS feeder links should be required to accept any interference received from existing TV Broadcast Auxiliary stations.

